

A Subsidiary of Empire State Development

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION

Meeting of the Directors

Tuesday March 23, 2021 at 3:00 pm

PROPOSED AGENDA

CORPORATE ACTIONS

- 1. Approval of the Minutes of the July 28, 2020 Directors' Meeting
- 2. AYCDC FY 2021-22 Operating Budget Proposal Approval of the Corporation's Operating Budget for the Fiscal Year 2021-22 (April 1, 2021 March 31, 2022)

FOR INFORMATION

- 3. President's Report Corporate Update (Oral Report)
 - a. Community Relations Update
 - b. Construction Update
- 4. Public Comments Submitted in writing to AYCDCBdMtg@esd.ny.gov by 4:30 pm on Monday, March 22, 2021

Item 1

Atlantic Yards Community Development Corporation Meeting of the Directors

Conducted Via Teleconference

July 28, 2020

MINUTES

In Attendance

Directors: Steven M. Cohen, Chair

Shawn V. Austin
Julene Beckford
John L. Heyer, II
Daniel Kummer
Tamara McCaw
Cy Richardson
Ethel Tyus
Gib Veconi
Lee Warshavsky

AYCDC Staff: Marion Philips, III - President

Tobi Jaiyesimi - AYCDC Director Debbie Royce - Corporate Secretary

ESD Staff: Julia Borukhov - Financial Project Manager

Douglas Bressette - Treasurer

Daniel DaSilva - Director, Subsidiary Finance

Richard Dorado - Senior Counsel

Felisa Hochheiser - Director of Compliance Robert Jones - VP, Contact Administration Eugene Kwiatkowski - Sr. Director of Budgeting Holly Leicht - EVP, Real Estate Development Greg Lynch - Senior Inspector, Atlantic Yards Kathleen Mize - Deputy CFO and Controller

Rachel Shatz - VP, Planning & Environmental Review

Sankar Singh - Financial Project Manager

Also Present: Scott Solish - Greenland Forest City Partners

Amir Stein - TF Cornerstone

Members of the Public Members of the Press Before the meeting was formally called to order by the Chair, the Corporate Secretary of the Atlantic Yards Community Development Corporation ("AYCDC" or the "Corporation") welcomed everyone to the meeting and conducted a roll call of the Directors to determine that a quorum was present.

Following the roll call and confirmation that a quorum was present, the meeting of the Directors of AYCDC was called to order at 11:00 a.m. by Chair Cohen. He noted for the record that due to public health concerns, the meeting would be conducted by teleconference as authorized by an Executive Order of the Governor. He then welcomed Lee Warshavsky as a new member of the Board to the meeting, noting his appointment from the Mayor.

The Chair then noted that the public had been given an opportunity to comment on the Agenda items by submitting their written comments by 4:30 p.m. yesterday and that no comments were received. He then noted that the Directors were given the written materials in advance of today's meeting and were free to ask questions at any time during the presentations.

Chairman Cohen then asked whether anyone had any potential conflicts of interest with respect to any of the items on the Agenda. Hearing none, he moved to the first order of business, approval of the minutes of the Directors' August 12, 2019 meeting.

Hearing no comments or edits from the Directors, upon motion duly made and

seconded, the following resolution was unanimously adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – Approval of Minutes of the August 12, 2019 Meeting of the Directors of the Atlantic Yards Community Development Corporation

RESOLVED, that the Minutes of the meeting of the Corporation held on August 12, 2019 is hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

The Chair then asked Marion Phillips to deliver the President's Report. Mr. Phillips welcomed Chairman Cohen to the Chair's position and Mayoral Appointee Lee Warshavsky to the Board and noted that his report was for informational purposes and no vote or action would be required from the Directors.

Mr. Phillips explained that the AYCDC Directors last met in August 2019 as the December 2019 meeting was cancelled because quorum was lost just before the meeting, and the March 2020 meeting was postponed due to the COVID-19 public health crisis. He noted it was expected that the 2020 – 2021 Operating Budget of \$250,000 would be presented in the future to the Directors for ratification, along with a request for recommendation on ESD's contracts for Owner's Rep. and Mitigation Monitoring at the site. He explained however, as part of an ESD Directors' action these items, along with other subsidiary and administrative matters were approved by the ESD Directors at its March 2020 Directors' Meeting.

Mr. Phillips then provided a construction update. He stated that B4 and B15 have progressed to the superstructure phase and are expected to be topped off by August-September. He noted that activity is expected to start at B12 and B13 shortly and the buildings will be constructed simultaneously with a 36-month development schedule.

Regarding COVID-19 safety measures, Mr. Phillips explained that all workers are required to wear masks while on site, temperature checks are conducted, and new handwashing and sanitizing stations have been installed around the site to ensure hygienic conditions. He advised the Developer continues to stress the importance of social distancing and being a good neighbor while in the community.

Mr. Phillips stated that permits have been filed for B5 which will be the first building to be erected over the railyard. He stated that once available, information on the construction schedule for B5 will be provided. He noted the Developer is working on final approval for substantial completion of the permanent railyards. He further noted there was no update on the Site 5 condemnation proceedings or the litigation between FCR/Brookfield and P.C. Richards.

Mr. Phillips explained the Project's affordable housing obligations remain the same and the Developer is committed to providing 2,250 units of affordable housing. He noted that currently, the buildings completed and under development total of 1,374 affordable housing units.

Mr. Phillips then invited Tobi Jaiyesimi to provide a Community Relations update. Ms. Jaiyesimi explained that there have been six Quality of Life meetings since last summer – four in person and two held virtually. She stated the virtual meetings were held via Zoom conferencing and attendees submitted questions in advance of the meeting or via live chat and e-mail while the meeting was in progress. She advised that the presentation and notes from each meeting are available on ESD's website.

Ms. Jaiyesimi advised that key issues discussed were the Project's 2025 affordable housing obligations and development schedule; the B12-B13 design; LIRR platform design and construction; plans for the Middle School at B15; and concerns about the Barclays Center operations and traffic impacts. She further advised there was also discussion about the request for representatives from City and State agencies at the Quality of Life meetings; and in light of the pandemic residents also raised concerns about COVID-19 safety guidelines at the Project, and construction workers' wearing face coverings while in public. She noted that there was also an inquiry about various police barricades on the Arena plaza and in the community. She advised that ESD and the Developers do not inform NYPD operations and do not determine the placement or duration of the barricades in the community but that that the community's concerns were shared with the local precinct.

Ms. Jaiyesimi stated the next Quality of Life meeting will be held virtually on September 15th and ESD continues its outreach to local elected officials

Director Veconi asked about the status of the RFP and hiring process for a contractor to build the platform on Block 1120. Mr. Solish responded that the Developer is in discussions with a contractor and the LIRR and is not yet ready to make a formal announcement. Director Veconi asked how long it would take the contractor to mobilize after approval and whether it is expected that B5, B6, and B7 will close the gap on the remaining 876 affordable housing units for the Project.

Mr. Phillips and Mr. Solish explained that initial permits have been filed for B5 and design and planning for the platform buildings is ongoing. It was noted that the Developer is actively working to meet the Project's affordable housing obligation. Director Veconi asked whether the August 2019 Exhibit M document was still effective and if the expectation remains that B5, B6, and B7 will be 50% affordable. Mr. Phillips explained that the August document is the most recent Exhibit M and that the document is amended to reflect updates in the Development schedule for the Project. Director Veconi asked, and Mr. Phillips and Ms. Jaiyesimi confirmed that Exhibit M will be shared with the Directors as it is updated. Director Veconi also noted concerns about the construction of the railyard platform and meeting the Project's affordable housing deadline.

Director Richardson asked whether any parts of the Project were damaged during the recent protests and demonstrations, and whether any preemptive measures were taken to protect the site. Ms. Jaiyesimi and Mr. Solish responded that no properties were damaged, and no preemptive measures were taken.

DRAFT – SUBJECT TO REVIEW AND REVISION

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Director Kummer asked about the Board's August 2019 recommendation on the Project modification for an indoor recreational facility at B12-B13. Mr. Phillips and Ms. Jaiyesimi explained that the ESD Board approved the modifications related to the recreational facility and the ventilation structures in the Open Space. They also explained that in response to concerns raised by the Directors, the Open Space was reconfigured to move the children's active play area away from the location of the ventilation structure.

Director Veconi raised concerns about the management company at 535 Carlton

Avenue, noting that tenants had received incomplete lease packages with little follow-up from management. Mr. Solish explained that the management company at 535 Carlton Avenue remains the same but there was a change in personnel at the start of the pandemic. He noted the management company is working to address concerns and coordinating a virtual meeting to discuss outstanding matters.

There were no further questions from Directors and there were no public comments.

Director Tyus then expressed concerns with the meeting format and requested that Directors and staff be able to participate via video conferencing instead of teleconference. Chairman Cohen expressed appreciation for Director Tyus' comments and committed to reviewing the meeting format for future meetings with staff.

Hearing no further business, the meeting was adjourned at 11:37 a.m.

Respectfully submitted,

Debbie Royce Corporate Secretary

Item 2



A Subsidiary of Empire State Development

FOR CONSIDERATION

March 23, 2021

TO: The Directors

FROM: Marion Phillips, III

SUBJECT: Atlantic Yards Community Development Corporation

FY 2021-22 Operating Budget Proposal

REQUEST FOR: Approval of the Corporation's Operating Budget for the Fiscal Year ("FY")

2021-22 (April 1, 2021 – March 31, 2022)

Background

New York State Finance Law requires that prior to the commencement on April 1 of each new fiscal year, the Directors of Atlantic Yards Community Development Corporation ("AYCDC" or the "Corporation") adopt an annual operating budget. Attached for your review and approval is the proposed AYCDC operating budget (the "Operating Budget") for FY 2021-22 (April 1, 2021 – March 31, 2022).

II. AYCDC FY 2021-22 Operating Budget Summary

The Operating Budget proposes a total of \$211,953 in personal services (salaries and fringe benefits for two employees) and a total of \$38,047 in non-personal services (primarily insurance and occupancy expenses). The total of all budgeted personal and non-personal expenses for FY 2021-22 is \$250,000. The Corporation's FY 2021-22 operating budget will be funded in its entirety from an imprest account funded by project developers and maintained at and by Empire State Development.

III. Environmental Review

Approval of the Corporation's Operating Budget for FY 2021-22 constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with this request.

IV. <u>Recommendation</u>

Based upon the foregoing, the Directors are requested to ratify and approve the Corporation's proposed FY 2021-22 Operating Budget in the amount of \$250,000.

V. <u>Attachments</u>

Resolution AYCDC – FY 2021-22 Operating Budget ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION — AYCDC FY 2021-22 Operating Budget — Approval of the Corporation's Operating Budget for FY 2021-22 (April 1, 2021 — March 31, 2022)

BE IT RESOLVED, based on the materials presented at this meeting and ordered filed with the Corporation (the "Materials"), the Corporation's proposed FY 2021-22 Operating Budget is hereby approved, and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the Officers of the Corporation and/or appropriate designees, and each of them hereby are, authorized and directed to take all actions and execute all documents in connection with the establishment and implementation of the Corporation's Budget; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Empire State Development Atlantic Yards Comm Dev. Corp. Operating Budget Plan FY 2021-22

		Board Approved Budget FY 2020-21		Proposed Budget Plan FY 2021-22
PERSONAL SERVICES (PS)				
Salaries	\$	159,733	\$	153,589
Fringe Benefits		60,699		58,364
TOTAL PERSONAL SERVICES	\$	220,432	\$	211,953
HEADCOUNT		2		2
NON-PERSONAL SERVICES (PS) Professional Fees				
Legal / Accounting Fees	\$	0	\$	0
Consultant Fees	Ą	0	Ş	0
Total Professional Fees	\$	0	\$	0
Other Non-Personal Services				
Employee Travel & Meals	\$	0	\$	0
Online Services/Training/ Conferences/Subscriptions		0		0
Office Occupancy Expenses		12,250		12,250
Insurance		15,000		20,000
Outside Services and Expenses		2,318		5,797
Telephone/Fax/Internet		0		0
Office Supplies and Expenses		0		0
Computers/Software/Equipment		0		0
Total Other Non Personal Services	\$	29,568	\$	38,047
TOTAL NON-PERSONAL SERVICES (NPS)	\$	29,568	\$	38,047
TOTAL PS & NPS	\$	250,000	\$	250,000